

## **ADMINISTRATION AND FINANCE COMMITTEE**

**DATE:** November 10, 2009

**CALLED TO ORDER:** 5:33 p.m.

**ADJOURNED:** 7:15 p.m.

### **ATTENDANCE**

#### ATTENDING MEMBERS

Marilyn Pfisterer  
Paul Bateman  
Susie Day  
Barbara Malone  
Jackie Nytes  
Ryan Vaughn

#### ABSENT MEMBERS

Joanne Sanders

### **AGENDA**

PROPOSAL NO. 370, 2009 - approves a transfer of \$44,200 in the 2009 Budget of the Marion County Assessor (County General Fund) to replace three new central air conditioning units, to upgrade and standardize computer connectivity, and to fund other equipment purchases necessary to expedite commercial appeals processing and to perform mandatory reassessment activities

"Do Pass"

Vote: 5-1

PROPOSAL NO. 404, 2009 - determines the need to lease approximately 2,525 square feet of commercial office space at 7363 E. 21st Street for use by the Marion County Assessor

"Do Pass"

Vote: 6-0

PROPOSAL NO. 405, 2009 - determines the need to lease approximately 3,373 square feet of commercial office space at 5226 Elmwood Avenue for use by the Marion County Assessor

"Do Pass"

Vote: 6-0

PROPOSAL NO. 406, 2009 - amends the Code to encourage economic revitalization by creating an Indianapolis based business preference for the City and County

"Postpone until 12/1/09"

Vote: 6-0

Presentation on the current state of assessments in Marion County – Greg Bowes, Marion County Assessor

## **ADMINISTRATION AND FINANCE COMMITTEE**

The Administration and Finance Committee of the City-County Council met on Tuesday, November 10, 2009. Chairwoman Marilyn Pfisterer called the meeting to order at 5:33 p.m. with the following members present: Paul Bateman, Susie Day, Barbara Malone, Jackie Nytes, and Ryan Vaughn. Joanne Sanders was absent. General Counsel Robert G. Elrod represented Council staff.

PROPOSAL NO. 370, 2009 - approves a transfer of \$44,200 in the 2009 Budget of the Marion County Assessor (County General Fund) to replace three new central air conditioning units, to upgrade and standardize computer connectivity, and to fund other equipment purchases necessary to expedite commercial appeals processing and to perform mandatory reassessment activities

Greg Bowes, Marion County Assessor, said that this proposal will take the funds that were in the 2009 budget and move them from one character to the other characters in order to take care of certain expenses. He said that two air conditioning units at the former Wayne Township Assessor's office were stolen, and based on the lease agreement, the city is responsible for replacing those air conditioning units. Mr. Bowes added that the lease also indicates that at the end of the lease term, the city could purchase the building for one dollar. Mr. Bowes said the remainder of these funds will be used to purchase digital cameras for the field crew, to pay for the labor of putting in drywall at the west district office, to purchase laptop computers to be used by the commercial assessment staff, and to put a fence around the two new air conditioning units.

Chairwoman Pfisterer asked if the proposal is asking for more money. Mr. Bowes answered in the negative. He said that this proposal only moves funds from one character to another to pay for these needs.

Councillor Nytes asked if the city will purchase the building. Mr. Bowes said that they need to weigh a few options first before purchasing this building. He said that they want to make sure that Building Authority will be able to maintain the building.

Councillor Vaughn asked why the city is responsible for replacing the two air conditioning units and making improvements to the building if the city does not own the building. Mr. Bowes said that under the previous lease, the city is responsible for the air conditioning units and building maintenance. Councillor Vaughn asked who owns the building. Mr. Bowes said that the building is owned by a private citizen. Councillor Vaughn said that he has some reservations about improving a building that the city does not currently own. Mr. Bowes said that they are looking at all options.

Chairwoman Pfisterer said that this location is centrally located and it would be beneficial to the area. She said that the road to get to the building is in very bad condition. Mr. Bowes said that this road is a privately owned street, and the city is not

required to maintain that street. He said that the owner may close down the street. Chairwoman Pfisterer said that would be her recommendation.

Councillor Nytes moved, seconded by Councillor Bateman, to send Proposal No. 370, 2009 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 5-1, with Councillor Vaughn casting the negative vote.

Councillor Vaughn said that he believes that the city should own this building and manage it properly instead of giving funds to the owner to repair the building. He said that this owner could sell it to someone else with the repairs that were paid for by the city.

PROPOSAL NO. 404, 2009 - determines the need to lease approximately 2,525 square feet of commercial office space at 7363 E. 21st Street for use by the Marion County Assessor

Mr. Bowes said this proposal authorizes the Assessor's Office to enter into a lease at 7363 East 21<sup>st</sup> Street. He said that this will be one of four satellite offices. The Council must approve any determination of a lease outside of city-owned buildings. In addition, the lease information must be made public for everyone to access. Mr. Bowes said that the annual cost for this lease will be \$39,138. This lease is designed to replace the current location at 9<sup>th</sup> Street and Post Road, which they rent for \$40,586. He said the current building has a very strong mold odor due to serious water damage in the roofing system.

Councillor Day asked if the Warren Township Assessor's office will be moved to this new area. Mr. Bowes said that this will be the satellite office that handles the entire area. Councillor Day asked how many employees will be at this office. Mr. Bowes said that there will be 12 employees in each of the satellite offices.

Councillor Vaughn asked what is considered when trying to find a location for a satellite office. Drew Carlson, Office of Corporation Counsel (OCC), said that these leases are based on a template that OCC has been working on for the last couple of years. He said that they seek more favorable terms for the city/county agencies, given the nature of the operations and the benefit that is brought to the community. Mr. Carlson said that Proposal Nos. 404 and 405, 2009 are products of a long- time effort to make better leases. He said that when comparing these lease agreements with some of the other lease agreements that are currently entered into by city or county agencies, these leases are far better for the city/county. Councillor Vaughn asked what kind of liabilities the city has for maintenance when it comes to these two leases. Mr. Carlson said that compared to the Annex building lease, where the city made improvements to the building and never received the benefits of those improvement, these two leases are much more beneficial to the city. He said that in one of the lease agreements the landlord is doing a lot of the improvements at no cost to the city. Councillor Vaughn asked if the process of finding a property to lease is handled with a request for proposal

(RFP). Mr. Bowes answered in the negative. He said they were trying to choose a location based on central locations within those four geographic districts that were identified. He added that they wanted this facility to have adequate parking, space, and accessibility to the roads and major highways. Mr. Bowes said they were trying to get the satellite offices near bus routes, as well.

Chairwoman Pfisterer asked what the price is per square foot. Mr. Bowes answered that it is \$15.50 per square foot.

Councillor Malone said that there should be a template or a process by which the city negotiates leases.

Councillor Nytes asked if there are non-appropriation clauses in these proposals. Mr. Bowes answered in the affirmative. Councillor Nytes asked if anyone from any branch of city government has an interest in the ownership status of these buildings. Mr. Bowes answered in the negative.

Councillor Vaughn moved, seconded by Councillor Nytes, to send Proposal No. 404, 2009 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 6-0.

PROPOSAL NO. 405, 2009 - determines the need to lease approximately 3,373 square feet of commercial office space at 5226 Elmwood Avenue for use by the Marion County Assessor

Mr. Bowes said that most everything that was discussed in the previous proposal applies to Proposal No. 405, 2009. He said that they will be leasing 3,300 square feet, paying \$30,343 per year, which is replacing the current lease at the former Franklin Township Assessor's Office. He said the current space is 4,500 square feet and costs \$57,376 per year, and there is a shortage of parking at this location. Mr. Bowes said this new lease is a much more favorable lease.

Councillor Day asked if Mr. Bowes will keep the assessor's office that is currently in the Perry Township Government Center. Mr. Bowes answered in the negative. Councillor Day asked why he would not use the Perry Township office that is currently in place and the least expensive. Mr. Bowes said that the Perry Township Assessor's office is not centrally located within the newly created district. Maurice Cox, Chief Deputy Assessor said that this new location is located closer to the expressway.

Chairwoman Pfisterer asked what townships are intended to use the southern satellite office that will replace the Perry Township office. Mr. Bowes said that the satellite office that will be located at Emerson and I-465 would serve all of Perry Township, Franklin Township, and Warren Township. Chairwoman Pfisterer asked why the Perry Township Office was rejected as a site for the southern satellite office. Mr. Bowes said that they thought they needed more space, they were worried about where the location was

centrally, and they wanted the location to be convenient to people who are driving to find the office. Mr. Bowes said that they were looking for good space at a good rate.

Councillor Vaughn asked if the citizens in Marion County that have residential property would take care of their business at one of the satellite locations. Mr. Bowes answered in the affirmative. He said that they are trying to store all the data electronically so that anyone could get to any of the satellite offices and get information on their property.

Councillor Vaughn moved, seconded by Councillor Bateman, to send Proposal No. 405, 2009 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 6-0

PROPOSAL NO. 406, 2009 - amends the Code to encourage economic revitalization by creating an Indianapolis based business preference for the City and County

Councillor Bateman said that this proposal is to encourage economic revitalization by creating Indianapolis-based business preferences that are more in line with Chicago, Detroit, and Cincinnati. He said that he would like to postpone this proposal to gather more information.

Councillor Bateman moved, seconded by Councillor Vaughn, to "Postpone" Proposal No. 406, 2009 until December 1, 2009. The motion carried by a vote of 6-0.

[Clerks note: Councillor Bateman left at 6:30 p.m.]

Presentation on the current state of assessments in Marion County – Greg Bowes, Marion County Assessor

Mr. Bowes gave a brief presentation, attached as Exhibit A. The presentation included the following key points:

- The Marion County Assessor's office is only six months behind in terms of the taxpayers getting their bills on time. The 2009 assessments will be complete to support the 2010 bills.
- The Assessor's office is compliant with the 2008 sales disclosure file and the 2008 assessment file.
- The [www.indy.gov/assessor](http://www.indy.gov/assessor) website has been updated and should allow for anyone in Marion County to search for assessment information.
- The Consolidation process has taken personnel from 156 down to 125.
- The Marion County Treasurer deadlines for tax payments are as follows: the first installment due by November 19, 2009; the second installment due by February 10, 2010; and the tax appeals are to be submitted by December 14, 2009.

Councillor Nytes asked what the possibility would be to allocate the savings from Character 01 to hire some temporary help to speed up the process on the backlog of appeals. Mr. Bowes said that the 22,000 parcels that have been appealed are about seven or eight percent of the total number of parcels. The other 92% of property owners are happy with their assessment and are not waiting for anything to be processed. He said that this is very little comfort for those that have been waiting for 15 or 18 months. Mr. Bowes said it is very difficult to hire qualified people that will be able to prevent these appeal problems from happening every year. He said that it is also difficult to find qualified people that will work in a temporary position. Mr. Bowes said that now that the county assessor's office is more on schedule, they can devote more resources toward the backlog of appeals. He said that they are trying to make sure they handle the appeals fairly and quickly. He said that they are also working very hard to make sure the same thing does not occur in the years to come. Mr. Bowes said that if the assessor's office has not come to a final conclusion about the taxpayer's appeal within 180 days, the taxpayer has a right to take the appeal to the Indiana Board of Tax Review (IBTR) and circumvent the county process.

Councillor Vaughn asked if there is a way to dual-track an appeal that may be in the backlog at the county level and then sent to the IBTR. Mr. Bowes said that it would change in the county bookkeeping system to an IBTR case, but because IBTR has their own deadlines, the county would still have to respond to the assessment. Mr. Bowes said that the backlog of appeals is now his office's highest priority.

Councillor Nytes said that she is very excited about the savings that the County Assessor's office has managed to accrue, but she urged the assessor to look for contract employees who could assist in accelerating the resolution of these backlogged appeals.

Councillor Day asked if there could possibly be some overtime opportunities for current employees. Mr. Bowes said that they have some staff already working overtime.

Councillor Malone said that there is enough time to properly train contract employees to help out with this backlog. She said this is a situation where the citizens want to know when these appeals will be complete.

Councillor Nytes said that unless the Controller's office has already allocated the funds that the assessor's office has underspent, then there is no reason why the assessor's office's underspending could not be earmarked for an additional appropriation to be used in that department next year for contractual workers.

Councillor Vaughn asked for a list of abated properties, as they are difficult to quantify because they do not have an assessed value. Councillor Vaughn asked Mr. Bowes to put this on his to-do list at the end of more pressing issues. Mr. Bowes said that they are working on getting better information on this issue.

Administration and Finance Committee

November 10, 2009

Page 6

There being no further business, and upon motion duly made, the meeting was adjourned at 7:15 p.m.

Respectfully Submitted,

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Marilyn Pfisterer, Chairwoman

MP/rjp